

# HOW IT WORKS

## STEP 1

Contact your CPA to ensure credits are applicable.

Identify the property of interest within the rural zone.

Prove eligibility of acquisition with closing documents, documenting approved redevelopment, and jobs created.

## STEP 2

File the Rural Zone Tax Credit Certification with the City of Cedartown Department of Economic Development.

City will verify rural zone eligibility, ordinance/licensing compliance, and submit the form to the Georgia Department of Community Affairs.

## STEP 3

The Georgia Department of Community Affairs will acknowledge and accept the certification form.

Once certified, acknowledged, and accepted, a copy will be provided to all parties. The certification must be included with income tax return when credit is claimed.

## APPLICABLE USES FOR TAX CREDITS\*

The Rural Zone Designation is designed so that multiple parties can benefit from RZ tax credits. For example: A coffee shop may claim the job tax credits after creating two full-time-equivalent jobs while allowing an investor to then claim an investment and/or rehabilitation credit.

***Two FTE jobs must be created and maintained to qualify for ANY Rural Zone Tax Credits.***

***The business creating jobs must be an approved NAICS Code.***

### JOB TAX CREDIT\*

The job tax credit will be \$2,000 per new full-time equivalent job per year, up to 5 years, and not to exceed \$200,000 total or \$40,000 per year. New full-time equivalent job means an aggregate of employee worked hours totaling 40 hours per week between two or more employees. At least two net, new full-time equivalent jobs must be created to qualify. This credit is for small business owners who open within the designated rural zone.

### INVESTMENT CREDIT\*

The investment credit is equivalent to 25% of the purchase price, not to exceed \$125,000 total or \$25,000 per year. At least two net, new full-time equivalent jobs must be created and maintained to qualify for the investment credit. This credit is for investors who purchase a building within the designated rural zone.

### REHABILITATION CREDIT\*

The rehabilitation credit is equivalent to 30% of **qualified** rehabilitation, not to exceed \$150,000 total or \$50,000 per year. At least two net, new full-time equivalent jobs must be created and maintained to qualify for the rehabilitation credit. This credit is to offset development costs associated with the rehabilitation of a property located within the designated rural zone.

***\*Renovations must be well documented and approved by the Cedartown Historic Preservation Commission.***

***\*Must be certified, acknowledged, and accepted by The Georgia Department of Community Affairs who will provide certificate copies to applicant, City of Cedartown, and Department of Revenue.***

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**CEDARTOWN**  
 ECONOMIC DEVELOPMENT